

AN ACT

relating to a student loan repayment assistance program for certain full-time peace officers in this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 61, Education Code, is amended by adding Subchapter NN to read as follows:

SUBCHAPTER NN. PEACE OFFICER LOAN REPAYMENT ASSISTANCE PROGRAM

Sec. 61.9951. DEFINITION. In this subchapter, "peace officer" has the meaning assigned by Article 2.12, Code of Criminal Procedure.

Sec. 61.9952. LOAN REPAYMENT ASSISTANCE AUTHORIZED; PURPOSE. The board shall establish and administer a program to provide, in accordance with this subchapter and board rules, loan repayment assistance in the repayment of eligible loans for eligible persons who agree to continued employment as full-time peace officers in this state for a specified period.

Sec. 61.9953. INITIAL ELIGIBILITY. To be eligible to receive loan repayment assistance under this subchapter for the first year for which the person seeks loan repayment assistance, a person must:

(1) be initially employed as a peace officer on or after September 1, 2019;

(2) submit to the board an initial application for the loan repayment assistance, in the manner and on a form prescribed by

1 board rule, that requires:

2 (A) employer verification of the person's
3 employment as a full-time peace officer in this state for at least
4 one year and the person's current employment as a peace officer in
5 this state as of the date of the application;

6 (B) a transcript of the person's postsecondary
7 course work; and

8 (C) a statement of the total amount of principal,
9 accrued interest, fees, and other charges due on all outstanding
10 eligible loans for which the person is applying for repayment
11 assistance;

12 (3) have earned at least 60 semester credit hours or
13 the equivalent at an institution of higher education or a private or
14 independent institution of higher education before the person's
15 initial employment as a peace officer;

16 (4) be currently employed, and have completed at least
17 one year of employment, as a full-time peace officer in this state;
18 and

19 (5) comply with any other requirement adopted by the
20 board under this subchapter.

21 Sec. 61.9954. CONTINUING ELIGIBILITY. (a) Except as
22 provided by Subsection (b), after initially qualifying for loan
23 repayment assistance under Section 61.9953, a person may continue
24 to receive loan repayment assistance in a subsequent year only if
25 the person annually submits an application, in the manner and on a
26 form prescribed by board rule, that requires employer verification
27 of the person's continuous employment as a full-time peace officer

1 in this state for the year ending immediately before the date the
2 application is submitted under this section.

3 (b) A person may not receive loan repayment assistance under
4 this subchapter for more than five years.

5 Sec. 61.9955. AWARD. (a) Except as provided by this
6 section, an eligible person is entitled to receive an annual amount
7 of loan repayment assistance payments under this subchapter payable
8 to the holders of the eligible person's eligible loans for each year
9 of eligibility approved by the board under Section 61.9953 or
10 61.9954 in an amount equal to the lesser of \$4,000 or 20 percent of
11 the total amount stated in the person's application under Section
12 61.9953, subject to the amount of available funding.

13 (b) If at the time an eligible person submits an initial
14 application under Section 61.9953 the payoff period for the
15 person's total outstanding balance of eligible loans is less than
16 five years, the board shall make annual payments under this
17 subchapter to the holders of the person's eligible loans in the
18 amounts of the payments and accrued interest due for the applicable
19 year.

20 (c) The total amount of repayment assistance provided under
21 this subchapter to an eligible person may not exceed \$20,000.

22 (d) If in any year the amount of money available for loan
23 repayment assistance under this subchapter is insufficient to
24 provide loan repayment assistance to cover all the payments for the
25 year for all eligible loans of all eligible persons, the board shall
26 establish criteria to determine the amount of available money to
27 allocate to the holders of student loans of eligible persons as the

1 board determines appropriate to further the purpose of this
2 subchapter.

3 (e) An eligible person whose annual loan repayment
4 assistance under this section is less than the amount necessary to
5 cover the amount of principal and interest due on the person's
6 eligible loans for that year is responsible for the payment of the
7 remainder of the amount due and for otherwise preventing a default
8 on the loan.

9 Sec. 61.9956. ELIGIBLE LOANS. (a) The board may provide
10 loan repayment assistance under this subchapter for the repayment
11 of any student loan received by an eligible person through any
12 lender for the cost of attendance at an institution of higher
13 education or a private or independent institution of higher
14 education for a semester or other term that ended in the five years
15 immediately preceding the person's initial employment as a peace
16 officer.

17 (b) If the loan is not a state or federal guaranteed student
18 loan, the promissory note or other loan agreement document
19 governing the terms of the loan must require all the loan proceeds
20 to be used for expenses incurred by a person in attending an
21 institution of higher education or a private or independent
22 institution of higher education.

23 (c) The board may not provide loan repayment assistance
24 under this subchapter for an eligible loan that is in default on the
25 date the person's application for loan repayment assistance is
26 submitted under Section 61.9953 or 61.9954.

27 Sec. 61.9957. PAYMENT OF LOAN REPAYMENT ASSISTANCE.

1 (a) The board shall pay any loan repayment assistance under this
2 subchapter in a lump sum delivered on the eligible person's behalf
3 directly to the holder of the loan.

4 (b) Loan repayment assistance provided under this
5 subchapter may be applied to any amount due on the loan.

6 (c) Each state fiscal biennium, the board shall attempt to
7 allocate all money available to the board for the purpose of
8 providing loan repayment assistance under this subchapter.

9 Sec. 61.9958. GIFTS, GRANTS, AND DONATIONS. The board may
10 solicit and accept gifts, grants, and other donations from any
11 public or private source for the purposes of this subchapter.

12 Sec. 61.9959. RULES; POSTING REQUIRED. (a) The board
13 shall adopt rules necessary for the administration of this
14 subchapter.

15 (b) The board shall post on the board's Internet website a
16 copy of the rules adopted under this subchapter and information
17 regarding the program established under this subchapter.

18 SECTION 2. The Texas Higher Education Coordinating Board
19 shall adopt rules for the peace officer loan repayment assistance
20 program under Subchapter NN, Chapter 61, Education Code, as added
21 by this Act, not later than December 1, 2019.

22 SECTION 3. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 16 passed the Senate on April 16, 2019, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 24, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 16 passed the House, with amendment, on May 17, 2019, by the following vote: Yeas 132, Nays 9, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor